

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

THE PNC FINANCIAL SERVICES GROUP,)	
INC. and PNC BANK, N.A., Individually and as)	
Successor in Interest to NATIONAL CITY)	
BANK,)	
)	
Plaintiffs,)	Civil Case No. 2:13-cv-00331-CB-MPK
)	
v.)	<i>Electronically Filed</i>
)	
HOUSTON CASUALTY COMPANY and)	
AXIS INSURANCE COMPANY,)	
)	
Defendants.)	

JOINT PROPOSED SCHEDULING ORDER

Plaintiffs, PNC Financial Services Group, Inc. and PNC Bank, N.A., individually and as successor in interest to National City Bank (“PNC”), and Defendants, Houston Casualty Company (“HCC”) and AXIS Insurance Company (“AXIS”) (collectively, the “Parties”), file this Joint Proposed Scheduling Order pursuant to Magistrate Judge Maureen P. Kelly’s Order of September 29, 2014, and in support thereof state as follows:

1. Magistrate Judge Kelly’s October 8, 2013 case management order (ECF No. 39) (“Case Management Order”) requires the Parties to meet and confer following the Court’s Order on the Parties’ Cross Motions for Judgment on the Pleadings to negotiate a proposed schedule for and any limitations to Phase 2 discovery.
2. On September 29, 2014, Magistrate Judge Kelly entered an Order on the Docket (ECF No. 70) requiring the Parties to file their proposed scheduling order for Phase 2 by December 5, 2014.

3. Since September, the Parties have worked diligently to resolve their differences with respect to the remaining amounts at issue as identified in the June 24 and July 28, 2014 orders on the Parties' Cross Motions (the "Remaining Amounts"). PNC produced to HCC and AXIS documentation and information, including a summary spreadsheet, providing additional detail regarding the approximately \$107 million in defense costs, expenses, fees and other amounts PNC allegedly paid in connection with the Overdraft Services Litigation. HCC and AXIS have reviewed those materials and have identified portions of PNC's asserted fees and costs that the carriers preliminarily dispute or about which they require further information.

4. Accordingly, the Parties jointly propose a schedule for Phase 2 that permits a limited period of time to allow the Parties to complete their exchange of information regarding the amounts of PNC's fees and costs that remain in dispute and to meet and confer in an attempt to resolve any remaining issues. At the conclusion of Phase 2, the Parties intend to either jointly file a stipulation with respect to the amounts PNC has incurred that constitute covered "Loss" pursuant to the Court's June 24 and July 28, 2014 orders or a proposal for an expedited procedure for the Court to resolve any remaining issues among the Parties.

5. Also during Phase 2, PNC will provide its calculation of claimed pre-judgment interest, as PNC intends to move the Court for an award of pre- and post-judgment interest to be included in the Court's final judgment. The Defendants reserve their rights to oppose any such request.

6. Accordingly, the Parties jointly propose the following schedule:

- PNC will submit a response to HCC and AXIS with respect to the disputed components of the Remaining Amounts on or before December 19, 2014;

- PNC also will submit its calculation of claimed pre-judgment interest and any factual support for the same to HCC and AXIS on or before December 19, 2014;
- HCC and AXIS will identify any remaining amounts in dispute on or before January 15, 2015;
- The Parties will meet and confer within 14 days of the date on which HCC and AXIS identify any remaining amounts in dispute;
- On or before February 6, 2014, the Parties will file a joint stipulation regarding the agreed-upon amount of PNC's covered "Loss" pursuant to the Court's June 24 and July 28, 2014 orders or, if necessary, a joint proposal for an expedited procedure for the Court to resolve any remaining issues.

Respectfully submitted,

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JOINT PROPOSED SCHEDULING ORDER

AND NOW this ____ day of _____, 2014, upon consideration of the Joint Proposed Scheduling Order, it is hereby ORDERED that the Parties shall comply with the following case management schedule for Phase 2 discovery:

- Plaintiffs (collectively “PNC”) will submit a response to Houston Casualty Company (“HCC”) and AXIS Insurance Company (“AXIS”) with respect to the disputed components of the remaining amounts at issue, as identified in the June 24 and July 28, 2014 orders on the Parties’ Cross Motions for Judgment on the Pleadings, on or before December 19, 2014;
- PNC also will submit its calculation of claimed pre-judgment interest and any factual support for the same to HCC and AXIS on or before December 19, 2014;
- HCC and AXIS will identify any remaining amounts in dispute on or before January 15, 2015;
- The Parties will meet and confer within 14 days of the date on which HCC and AXIS identify any remaining amounts in dispute;
- On or before February 6, 2014, the Parties will file a joint stipulation regarding the agreed-upon amount of PNC’s covered “Loss” pursuant to the Court’s June 24 and July 28, 2014 orders or, if necessary, a joint proposal for an expedited procedure for the Court to resolve any remaining issues.

By the Court:

J.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Joint Proposed Scheduling Order has been served via ECF on all counsel of record.

Dated: December 5, 2014

/s/ Courtney C.T. Horrigan